Elites, Progressivism, and the Quest for a Transnational Community: The Institute of Pacific Relations and US-China Relations, 1925-1950

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Abstract

The Institute of Pacific Relations (IPR) was an international non-governmental organization established after World War I. The absence of the United States from the League of Nations highlighted the importance of this organization to the Asia-Pacific region. China became a member country following the founding of the China Institute of Pacific Relations Organization (CIPR) in 1925, for which China’s concerns had always been a central focus of the organization. The members of this organization represented the intellectual elites, entrepreneurs, and politicians who made efforts to form a global community. The main financial sponsor of this organization was the Rockefeller Foundation.

This study focuses on academic and cultural exchanges after the 1920s, when the CIPR was the first to use social science methods in China to investigate rural, economic, and land-related issues in China. The operation of this organization in China represented a manifestation of the spirit of American progressivism in China. It also reflected the good will and common pursuit of cooperation among the intellectuals of China and the United States, of which the Chinese members were mainly returning students from America. Examples of cooperation include efforts to investigate China’s economic and social problems, encouragement for supporting the research funding for higher education (especially for Nankai University, Jinling University), and the promotion of a greater understanding of Chinese culture among Americans in various ways. Despite the outbreak of the Sino-Japanese War, academic and cultural exchanges between the United States and China did not cease; under the sponsorship of the Rockefeller Foundation, the CIPR had contributed greatly to Sino-American education and cultural exchanges. I will also explore why the assumptions of such a progressive elite group were so far removed from the realities of China after 1949. They were, in fact, the innocents of the American “loss of China,” and as their literature reflects, they were indeed a group of idealistic intellectuals who sought to transform China.
Preliminary Research Results

After initially reviewing at RAC and then receiving copies of relevant materials (see the appendix below), the first project from my research was to write an academic article, titled “American-Returned Economics Students, Rockefeller Foundation, and the Specialization of Chinese Economic Investigations in the 1930s,” using Rockefeller Foundation records. It is part of my larger RAC-based book project. The following describes the role that the Rockefeller Foundation played in cultivating economists for modern China that led to a process of specialization in the development of economics in China.

In past research, many scholars have discussed the Rockefeller Foundation's funding for Nankai University's Institute of Economic Research, the advice of American agricultural experts on land and rural reforms in China, and the influence of the American scientific community on medicine and the scientific method in modern China. However, past research has been lacking in the study of how the economic investigations in modern China formed a process of professionalization. This paper tries to explore the importance of American-returned economics students in this transnational knowledge network, the specialization of economic investigation in China, and the significance and political dilemma for educational and cultural cooperation between Chinese and American elites as revealed through the Rockefeller Foundation records.

In the 1930s, a group of American-educated economists, with the assistance of the American foundations (especially the Rockefeller Foundation), began conducting social and economic investigations in China. In the founding of the discipline of social science in modern China, American-trained economics students played the roles of translators, disseminators, and practitioners of knowledge production, bringing their discipline to the field instead of being mere dependents of Western economic theories. In addition, their achievements in economic investigations made economists more "visible" to the Nationalist government. As a result, a group of economists were recruited into government service in the early 1930s as technocrats to guide important
national policies.

From the second half of the 1920s onwards, the main American foundations active in the Chinese intellectual circle were as follows: 1. China Foundation for the Promotion of Education and Culture 中华教育文化基金会 (CFPEC) 中基会; 2. The Rockefeller Foundation; and 3. The Chinese branch of the Institute of International Pacific Relations (IPR). CFPEC's funding program focused on science education, while the main sponsors in the social sciences were the Rockefeller Foundation and the IPR. According to Yang Cuihua's research, the CFPEC was established in 1924 to mainly provide science and technology scholarships, and social sciences was not important for their funding projects. In the 1920s, the CFPEC invited George R. Twiss, a professor of education at Ohio State University, to visit China. Twiss investigated 190 schools and pointed out the shortcomings of science education at that time. His report concluded that the most important improvement of science in China had to begin with the improvement of the quality of science teachers. His findings resonated with Chinese intellectuals, and more importantly, his recommendations became the blueprint for the improvement of science education in China by the CFPEC in the future.² The phenomenon of "insufficient quality of teaching staff," as criticized by Twiss, was a common phenomenon in all institutions of higher education in China at that time, as it also was in the case of economists mentioned by Ho Franklin.

The Rockefeller Foundation, founded in 1913, made great contributions to health care, village construction, higher education, and cultural exchange in modern China.³ Starting in the 1930s, the Rockefeller Foundation streamed large sums of money to sponsor the contributions of Chinese scholars engaged in socio-economic surveys of China, including sources of funding, grants for specialist staff, and subsidies for research projects in colleges and universities, such as Nankai and Jinling Universities. This financial support had a profound impact on the professionalization and academicization of modern China. Subsequent publications were often distributed by the IPR, which in the 1930s published a series of surveys and investigations on China's socio-economy. The economic investigations under the sponsorship of Rockefeller Foundation, such as the Shanghai Industrialization Survey, the North China Village Investigation, and the Institute of Economic Research at Nankai University 《南開物價
指數》（which began compiling the Nankai Price Index in 1927 and ended in 1952) were all available in Chinese.

According to the documentation at the Rockefeller Archive Center, we can see the discussions between the IPR and the Rockefeller Foundation on the issue of supporting programs in China. For example, Selskar M. Gunn, a public health expert and RF officer, who visited China in 1931, and then served as vice president of the Pacific Institute from 1932 onward, made important observations about China’s rural economy. Economist John B. Condliffe (1918-1981) also visited China, serving as research secretary of the IPR from 1927 to 1931. He subsequently published the book *China To-Day: Economic* in 1932.

The Institute of Pacific Relations of China, founded in 1925, was a non-governmental organization that sought peace and stability in the Pacific region. Initially, it focused on political and diplomatic issues. The Rockefeller Foundation had been the most important sponsor of the IPR in the history of the International Institute of the Pacific, and starting from 1929, it had received 50,000 (USD) per year in research grants from the Rockefeller Foundation. From 1928 to 1935, the IPR sponsored a large number of research and publication projects in China, including land surveys, rural surveys, industrial surveys, and population surveys. Some of the major projects include the following: the "Industrialization of Tianjin" survey conducted by Ho Franklin and Fong Hin-tin, the "Standard of Living in the Silk Producing Areas of China" by Liu Dajun, the "Rural Industry in Northern China" by Fong Hin-tin, and the "Standard of Living in the Tobacco Producing Areas of China" by Chen Hon-sheng 陳翰笙. When Gunn came to China in 1931, he visited nearly twenty universities and research institutes in the country, and observed that the quality of social science research was very low grade. He strongly recommended that the Foundation should sponsor “investigations” works in the social sciences. Gunn’s report noted the following:

Investigations in the Social Sciences must be carried on in the country under consideration......When one considers the Social Sciences in China, one comes to the obvious conclusion that the consideration of these disciplines is on a somewhat different basis than in the case of the Natural and Medical Sciences. The latter two groups of knowledge can, with certain exceptions,
be studied equally well in other parts of the world. But, investigations in the Social Sciences must be carried on in the country under consideration.\(^9\)

Gunn mentioned the importance of "economic investigation" for China. “Both Chinese and foreign observers are outspoken in their criticism of the plans for research outlined by returned students. Their chief weakness lies in the fact that such plans are based too much on the theories and methods used in foreign countries and which are not applicable to China.”\(^10\) For social science sponsors, Gunn also mentioned three worthy universities: Yanjing, Nankai Graduate School of Economics, and Shanghai University.\(^11\)

What were Gunn’s thoughts about the Chinese Economic Association? There were three newly-established academic societies for the social sciences in China: The Chinese Economics Society, the Chinese Political and Social Science Association, and the Social Science Institute of the Academia Sinica. Among them, he rated the Chinese Economics Society as the highest. “The Chinese Economic Society has this as one of its chief aims, however, it would need more funds and personnel. It is going to achieve this object.” He also mentioned that this organization in 1931 had 311 members, including professors, bankers, government officials, etc and from his point of view, the leading spirit in this organization was Mr. D. K. Lieu, a well-known Chinese economist.\(^12\)

With financial support from the Rockefeller Foundation, member John B. Condliffe (and then research secretary of the IPR) visited China. In addition to publishing a book on economics in China, as a statistician, he also did many analyses of food and economic problems in the Pacific Region. Another scholar, agronomist John Lossing Buck, who taught at the College of Agriculture at Jinling University, also received financial support from the Rockefeller Foundation, engaging in research on Chinese rural land surveys.\(^13\)

We can see from Gunn’ s report that the Foundation had difficulty in promoting its programs in China, and had even been tempted to withdraw during the high tide of Chinese xenophobia in the 1920s, when the Foundation was viewed as a spokesman for imperialism.
The dangers of wholesale importation of Western doctrines is decried in an ever increasing volume. The demand is now to "Chinafy" Western knowledge. Every subject, except the exact sciences, is under fire. Nationalism is rampant and leads to exaggerations in act and thought. The Chinese have become touchy on the subject of inferiority.

But Gunn insisted that philanthropy in China was still necessary:

Work in China under any circumstances, means time and lots of it. Quick results are not to be anticipated nor perhaps desired. Certain facts stand out. The foremost is that China has decided to use and adopt, with probable modifications, much of Western civilization. It is almost unanimously agreed that China cannot duplicate Japan in speed of transformation. Western civilization is under fire in China. Many intellectuals, often trained in the United States or Europe, are among its sharpest critics."

This was not a case of American foundations threatening to force Chinese scholars to follow American academic trends, as Chiang claims. We can see that Gunn’s report strongly recommended that American experts be sent to help China build its own disciplines and to help fund them. “China cannot be neglected by the rest of the world. The Foundation would certainly not be living up to its ideals nor opportunities if it decided to withdraw from China. It can be most useful in various fields.” And Gunn also believed it was worth considering sending to China for at least one year an American professor. Such an individual could study the whole situation thoroughly and perhaps, at the same time, carry on an investigation on his own account.

The issue of funding for the Chinese institutions was a delicate operation. The Rockefeller Foundation did not have a branch office in China; therefore, these applications for research projects were reviewed directly at its headquarters in New York. CFPEC (中基會) was an academic organization independently operated in China, managed by ten Chinese directors. And the IPR also had a China branch, and most scholars applied for funding directly to the China branch, which was also managed by Chinese academic bureaucrats. Based on a review of the relevant materials, the Rockefeller Foundation’s actions regarding the allocation of funds, their use, and the research application process were much more transparent than at the Chinese branch of the IPR. The Chinese branch always appeared to have problems with sharing money,
and there was always the issue in Chinese social culture of influence peddling. Such queries have been raised by both the Rockefeller headquarters and by the Chinese themselves. Even Liu Weiwan 劉馭萬, the general secretary of IPR, had criticized the concentration of funds on a few individuals (Ho Franklin, John Lossing Buck, and Liu Dajun).

The officers of the Rockefeller Foundation gave scholars and experts a great deal of academic freedom. At that time, the Foundation was promoting some large-scale global projects, and it did not intentionally play the role of a mentor for Chinese projects, telling Chinese people what topics to study. Moreover, China's own xenophobia was so deep that the Foundation could have chosen to leave the country, but it persisted. Although the Rockefeller Foundation was a sponsor and scrutinized the research topics and methodologies of Chinese social scientists, reflecting the methodology that was popular in the American academy at that time, it did not interfere with the thinking and research of local Chinese economists. Due to the exchange of funds and intellectual talent, Chinese economists began to conduct scientific economic surveys and research.

As early as 1931, in his report, Gunn expressed worry that the Chinese Economics Society, despite, being an academic community, would have too much political interference in its activities in China. D. K. Lieu, president of the Society told him that the Society would like to cooperate with the Foundation in promoting economic research in China. In his report, Gunn mentioned: “There is a possibility that the leading men in the organization are too much involved in politics. This might tend to make the Society too unstable for the development of a real program.” 17

However, Gunn did not realize that the emphasis on the practical knowledge of managing state affairs (經世致用) was a component of the traditional culture of Chinese intellectuals. In the 1930s, when China was facing the impact of the global depression internally and the Japanese invasion externally, patriotism of intellectuals was more easily aroused. This tradition persisted after the professionalization process of the 1930s and would not disappear. Moreover, because of the internal and external crises of the country, the intellectuals became more involved in "salvation and survival" (救亡圖存). The intellectuals who combined economic theory with fieldwork on the current state of affairs in China were largely funded by US foundations to engage in
these "useful" investigations. The question of which measures to take was a matter of disagreement among this group of experts. Some of these differences stemmed from ideological differences that led to different interpretations of the country's policies, but there were also problems of government interference that Gunn mentioned, as well as the fact that many of academics were becoming politician-bureaucrats.

The formation of technocrats allowed people with more specialized backgrounds to enter the administrational system, to increase the government's expertise, and to participate in internationally engaged economic activities and expert meetings. A review of the archival materials at the Academia Historica (Taiwan), reveals the dilemmas facing a group of American-returned economics students stemming from their personal specialties, their ideologies, and some of their functions as politicians and bureaucrats. Ho Franklin, Fang Hin-Ting, Liu Dajun, and Ma Yinchu, known as the "Four Great Economists of the Republic of China," were all American-returned students. The first three had close ties with the American foundations, while Ma Yinchu was a theorist in economics. When these American-returned economics experts entered the bureaucratic system, the importance of their US-educated background, became more and more apparent as their professionalism came into play. Examples include Kung Hsiang-hsi (1880-1967) and Soong Tzu-wen (1894-1971) in the fiscal and financial sector. The University of Michigan graduate Hsu Chien-ping was appointed to the Ministry of Finance in 1925 (and became the General Secretary of the Ministry of Finance in 1934), Ho Franklin was Chiang Kai-shek's economic advisor in the 1930s, and Ma Yinchu 馬寅初 was highly regarded by Mao Zedong after the founding of the People's Republic of China. In the late 1930s, there were confrontations and debates between some technocrats who supported planned economy and other economists who did not. Apart from the ideology involved, there was also the struggle for political power. For example, Kung Hsiang-hsi, who was studying in the US, thought differently from Ho Franklin, and the means and tools were different among the intellectuals.

The Foundation's internally produced statistical reports on grant allocations and were able to observe various China-related programs: the Chinese technocrats and scholars who used Foundation funds, the China Program of 1935, focusing on the reforms in the countryside, the Peking Union Medical College Hospital (PUMCH), as well as the status
of China’s economic investigation and surveys. Staff calculated that since 1913, the Foundation had spent over $37,000,000 (USD) in China. It was by far the largest sum that had been spent in any country outside the United States. Were there more deserving places around the world to bail out? Ranking the top five countries in the world funded by the Foundation as follows (1913-1935):

<table>
<thead>
<tr>
<th>Country</th>
<th>Funding (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>$117,208,233</td>
</tr>
<tr>
<td>China</td>
<td>37,481,104</td>
</tr>
<tr>
<td>Great Britain</td>
<td>14,346,068</td>
</tr>
<tr>
<td>Canada</td>
<td>7,375,807</td>
</tr>
<tr>
<td>Belgium</td>
<td>5,724,828</td>
</tr>
</tbody>
</table>

Further down the list, for Brazil, the sum was 5,499,634 (USD), and then for Japan, it was 1,109,197 (USD). Secretary of the Foundation, Norma S. Thompson mentioned in her report:

> The question that confronts us, therefore, is whether China’s needs and opportunities are so great as to justify us in expending in that country still further amounts. Or to put the matter in another way, is the welfare of mankind best served by enlarging our investment in China? Is China the outstanding strategic point in which we ought to push our attack? Is there no other sector of the world where we can hope to obtain as large a return in human happiness and welfare as we can in China.

Another question deserving consideration was whether the Foundation needed two programs in China - one headed up in Peking and the other in Shanghai. “What relationship, if any, is there to be between these two programs?” She also noted to the committee “a carefully matured understanding, would be desirable and necessary if some degree of uncertainty and perhaps confusion is to be avoided.”

**Brief Conclusion**

In the 1930s, a series of economic investigations were rapidly produced in China under the auspices of the Rockefeller Foundation. While the Rockefeller Foundation had its
own globally promoted research programs, its programs in China were also promoted under this concept of assisting undeveloped countries. However, it is difficult for us to agree with some scholars who claimed that this American foundation played the role of a manipulator. The author is more willing to look at the positive effects of the Foundation on the process of professionalization of academic disciplines in modern China from the perspective of giving and receiving. A group of America-returned students became technocrats for the government, deeply influenced the financial policies of the Nationalist government, but these advocacies also caused a great deal of discussion among a group of economists (between the left and the right). What is certain is that "economic investigation" as a kind of professionalization had already been laid down and influenced the construction of the Nationalist government's Economic Resources Committee and the National Economic Conference. After the establishment of post-war Taiwan and the People's Republic of China, America-returned economics students played the role of "national policy" in the 1950s for the governments on both sides of the Taiwan Strait.

When we look back at the process of specialization of America-returned economics students in the 1930s, we can identify multiple facets of the relationships between Chinese economists, US foundations, and technocrats, and this process will help us to understand the complexity of the Chinese-American intellectual elites in building China's future together. It also highlights the importance of the strengths of cross-cultural intellectual communities and non-governmental organizations in US-China relations.

Appendix: Material reviewed at the Rockefeller Archive Center

Many thanks to archivist Bethany J. Antos for her enthusiastic guidance, helping me in identifying abundant documents. Indeed, the documentation is extensive. I have reviewed (and received copies of) all the helpful materials from my research time at the Rockefeller Archive Center (From Aug. 16-25, 2023). The materials are briefly described below:
These documents reveal the Rockefeller Foundation's interaction with the Institute of Pacific Relations (IPR), an assessment of the China program in terms of funding, talent deployment, mission, and discussion of China's future destiny, as well as the family's personal imagination and specific advocacy for China. The box and folders of Alfred Kohlberg were particularly valuable, due to content related to Kohlberg's "long-time adversaries" at the Institute for Pacific Relations (IPR), Owen Lattimore and Philip C. Jessup.

ii. Rockefeller Foundation, Record Group 1.1 (Projects), Series 200R (Arts and Humanities), Box 236, Folder 2818 and Box 236, Folder 2819, Institute of Pacific Relations – Chinese Language Studies – Report, 1936.

iii. Record Group 1.1 (Projects), Series 200S (Social Sciences), Boxes 350-361.
These documents reveal the development of the subjectivity of Chinese social sciences, the linkage between the IPR and the Foundation. The foundation's innovative program in China that combined improvements to agriculture, education and medicine in rural areas. Especially on Selskar M. Gunn, vice president of European Operations and assistant director of the Social Science Programs in Europe, who came to China. His success in both these positions resulted in his appointment to be vice president of the RF in 1932. In China, he saw an opportunity for the RF to apply both its money and its workforce to a major, multidisciplinary project involving agriculture, education and health care, and he persistently lobbied the organization to achieve this goal.

The activities of some American agricultural economists in China, such as John Lossing Buck and others. Also, the RAC has materials on China's representative members, such as Hu Shih, Jiang Menglin, and He Lian.

v. Rockefeller Foundation, Record Group 4 (China Medical Board), Series 1.2, Box 53, Folder 1243, Institute of Pacific Relations, 1926-1928.

vi. Rockefeller Foundation, Cox and Reece Investigations, Series 1 (Digest Files), Box 1-2.
The Rockefeller Foundation Cox and Reece Investigation should provide answers to some of the intellectual elite's thoughts on reforming China. But my focus is not on McCarthyism, but rather on the relationship between these American elites and their...
inner thoughts about Chinese political society since the 1920s, as reflected in these reports, or their discussions on the development of Chinese socialism, liberalism, the Communist Party, and the KMT in China.

vii. The Laura Spelman Rockefeller Memorial, another Rockefeller philanthropic organization, operated in the 1920s, and focused especially on the social sciences.

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4 Rockefeller Foundation projects, RG 1.1, Series 601, Box 51, Folder 432. Ho Franklin letter to Selskar M. Gunn.

5 Selskar M. Gunn’s Papers, held at the Rockefeller Archive Center.

6 John B. Condliffe Papers, held at the Hoover Institution Library & Archives, Stanford University.


8 More research to continue. Rockefeller Foundation Records, RG 1.2, Series 601, Box 1, Folder 2. Ho Franklin. Record Group 1.1, Series 200, Box 358. The letters from Chen Hansheng and Ji Zhaoding.


10 Selskar M. Gunn, Report on visit to China 1931, p. 18.

11 Ibid.

12 Ibid.

13 John B. Condliffe letters held at RAC. John B. Condliffe Papers, held at the Hoover Institution Library & Archives, Stanford University. John Lossing Buck letters collected in different box in RAC. Rockefeller Foundation Records. Record Group 1.1, Series 200, Box 354, Folder 4223.


15 Chiang, Yung-chen. *Social Engineering and the Social Sciences in China, 1919-1949*. Cambridge: Cambridge University Press, 2001. Chiang had strong personal views on the establishment of modern China’s social sciences with their relations with American, such as
his over-interpretation of the American foundations' "threats and inducements" and the role of Chinese mentors.

17 Selskar M. Gunn, Report on visit to China 1931, p. 81.
18 Mr. Gunn’s Proposal for China, 1935. China Program, held at the Rockefeller Archive Center.
19 Norma S. Thompson’s (Secretary of the Foundation) letter, Feb. 1, 1935., held at the Rockefeller Archive Center.
20 Ibid.
21 Ibid.